CHAPTER 93

GOVERNMENT - STATE

SENATE BILL 12-146

BY SENATOR(S) Hodge, Aguilar, Bacon, Carroll, Foster, Giron, Guzman, Harvey, Heath, Johnston, Morse, Neville, Newell, Nicholson, Schwartz, Steadman, Williams S., Shaffer B.;

also REPRESENTATIVE(S) Peniston, Court, Ferrandino, Fields, Fischer, Hamner, Jones, Kerr A., Pabon, Pace, Schafer S., Solano, Todd, Tyler, Vigil, Young.

AN ACT

CONCERNING LIMITATIONS ON THE ACCEPTANCE OF CERTAIN BENEFITS BY SPECIFIED GOVERNMENTAL ACTORS WHO ARE IN A POSITION TO REWARD PERSONS OFFERING SUCH BENEFITS WITH OFFICIAL ACTION.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 24-18-104, amend (2) as follows:

- 24-18-104. Rules of conduct for all public officers, members of the general assembly, local government officials, and employees. (2) An economic benefit tantamount to a gift of substantial value includes without limitation:
- (a) A loan at a rate of interest substantially lower than the commercial rate then currently prevalent for similar loans and compensation received for private services rendered at a rate substantially exceeding the fair market value of such services; OR
- (b) The acceptance by a public officer, a member of the general assembly, a local government official, or an employee of goods or services for his or her own personal benefit offered by a person who is at the same time providing goods or services to the state or a local government under a contract or other means by which the person receives payment or other compensation from the state or local government, as applicable, for which the officer, member, official, or employee serves, unless the totality of the circumstances attendant to the acceptance of the goods or services indicates that the transaction is legitimate, the terms are fair to both parties, the transaction is supported by full and adequate consideration, and the officer, member,

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

OFFICIAL, OR EMPLOYEE DOES NOT RECEIVE ANY SUBSTANTIAL BENEFIT RESULTING FROM HIS OR HER OFFICIAL OR GOVERNMENTAL STATUS THAT IS UNAVAILABLE TO MEMBERS OF THE PUBLIC GENERALLY.

SECTION 2. In Colorado Revised Statutes, 24-18-105, add (5) as follows:

24-18-105. Ethical principles for public officers, local government officials, and employees. (5) Public officers, local government officials, and employees are discouraged from assisting or enabling members of their immediate family in obtaining employment, a gift of substantial value, or an economic benefit tantamount to a gift of substantial value from a person whom the officer, official, or employee is in a position to reward with official action or has rewarded with official action in the past.

SECTION 3. In Colorado Revised Statutes, 24-18-109, add (2) (c) as follows:

- **24-18-109.** Rules of conduct for local government officials and employees. (2) A local government official or local government employee shall not:
- (c) ACCEPT GOODS OR SERVICES FOR HIS OR HER OWN PERSONAL BENEFIT OFFERED BY A PERSON WHO IS AT THE SAME TIME PROVIDING GOODS OR SERVICES TO THE LOCAL GOVERNMENT FOR WHICH THE OFFICIAL OR EMPLOYEE SERVES, UNDER A CONTRACT OR OTHER MEANS BY WHICH THE PERSON RECEIVES PAYMENT OR OTHER COMPENSATION FROM THE LOCAL GOVERNMENT, UNLESS THE TOTALITY OF THE CIRCUMSTANCES ATTENDANT TO THE ACCEPTANCE OF THE GOODS OR SERVICES INDICATES THAT THE TRANSACTION IS LEGITIMATE, THE TERMS ARE FAIR TO BOTH PARTIES, THE TRANSACTION IS SUPPORTED BY FULL AND ADEQUATE CONSIDERATION, AND THE OFFICIAL OR EMPLOYEE DOES NOT RECEIVE ANY SUBSTANTIAL BENEFIT RESULTING FROM HIS OR HER OFFICIAL OR GOVERNMENTAL STATUS THAT IS UNAVAILABLE TO MEMBERS OF THE PUBLIC GENERALLY.
- **SECTION 4. Applicability.** The provisions of this act apply to actions undertaken by public officers, members of the general assembly, local government officials, and employees, as applicable, on or after the effective date of this act.
- **SECTION 5. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: April 12, 2012